

A STUDY OF THE ROLE OF RETAIL FRONT LINE SALES PERSONNEL IN GENERATING CUSTOMER EXPERIENCE IN ORGANIZED RETAIL

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ABSTRACT

The study is about finding the role of retail front line sales personnel in generating customer experience in organized retail in India. The study is exploratory in nature. Convenience Sampling Technique is used. Survey method is used for collecting the data. Structured questionnaire is used for collecting the data. The interviews were conducted through intercepts at retail stores in organized retail chains. The sample size for the study is 141 Respondents. Nominal Scale is used for all variables except for age, family size, family monthly income and number of children ratio scale is used. SPSS 17 version is for data analysis and conducting various tests. The findings of study are 1. Positive perception on the part of the customers about the store personnel results in customer's loyalty. 2. Friendly and courteous behavior of store personnel 3. Every minute aspect of store personnel's, eagerness to help etc have positive impact on the customers shopping experience.

INTRODUCTION

In the light of globalization, intense competition & vibrant consumer, today's market situation resembles battle field. Only those organizations which give excellent buying experience to the customers are likely to stay ahead of others, survive and grow. This is all the more applicable in case of retail organizations since retail is coupled with service and is all about giving excellent customer shopping experience which should evoke WOW effect. With inherent and complex problems involved in setting up and running a large retail chain on the one hand and presence of large number of kirana stores sprawling the landscape giving highly personalized service along with various facilities to their customers the overall role of store personnel becomes highly critical and important in retaining the customer. Any lapse on the part of the store personnel can have immediate negative impact on the customers shopping experience. Needless to state a

dissatisfied customer will spread bad word of mouth, take away lot of customers and will result in loss of business for the life time of the customer. Therefore the “P” “People” have come to stay as a very critical and important “P” of the marketing mix of a retail store.

1. LITERATURE REVIEW

Successful businesses influence people through engaging, authentic experiences that render personal value (Pine and Gilmore)¹. “CEM is a program to enable large and complex organizations to deliver a financially optimal customer experience, resulting ultimate goal of CEM is to facilitate delivering the right set of experience clues for evoking specific in increased customer loyalty and hence superior growth and social performance (Enzminger, A).² From a customer’s perspective, the encounter with service staff is probably the most important aspect of a service. From the firm’s perspective, the service levels and the way service is delivered by the front line can be an important source of differentiation as well as competitive advantage. In addition, the strength of the customer/frontline staff relationship is often an important driver of customer loyalty.³ Furthermore frontline staff play a key role in anticipating customer’s needs, customizing the service delivery, and building personalized relationships with customers, which ultimately lead to customer loyalty.⁴ The economic orientation of shoppers, their felt importance of a personal relationship with store personnel, and the level of their aggregate purchase volume moderate the effect of satisfaction on customer share.⁵ In many areas, customer satisfaction ultimately boils down to the customers contact with the frontline staff. Capable, empowered frontline staff put customer-focused mission statements, standards and culture into practice⁶. Store personnel, as one of the situation variables, have significant influence on consumers’ behavior in the future (22). Mackintosh & Lockshin (5) found that sales people played an important role in retailing. Particularly, the fact that commitment to the salesperson was directly associated with store attitude and repurchase intention (16). (46). Positive customer affect towards the store personnel are likely to retain customers’ store loyalty⁷. Retail food store employees presumably improve the level of satisfaction customers realize during a shopping trip. A review of the literature revealed few significant contributions supporting or refuting this contention. A telephone survey of 505 households in Fort Collins, CO. during the fall of 1988 was conducted to generate information on retail food store employee’s helpfulness. The findings revealed little explicit impact of helpfulness. Statistical analysis determined a number of relationships between dollars spent in a store and the perceived level of employee helpfulness. Retail food stores were not selected, patronized nor avoided based exclusively nor extensively on perceptions of employee helpfulness.

On the other hand, employees were considered necessary for an enjoyable shopping trip. Employees are neither change agents in retail food stores nor are they apparently significant stress inducers or inhibitors compared to the potential stress reduced by an inconvenient location, high prices or a poor variety of products, It is recommended that employees be more closely associated with obvious service strategies, and that services be made more obvious and predominant in the promotion and advertising of the retail food store⁸

2. OBJECTIVES OF THE STUDY

1. To assess the satisfaction of the customers due to the good behavior of store personnel
2. To assess the impact of store personnel's behavior on the customers overall shopping experience.

3. RESEARCH HYPOTHESIS

H1a: Alternative Hypothesis: Well Groomed, Trained and Efficient store staff do not have positive impact on customer buying experience

H2b: Alternative Hypothesis: Displaying positive body language by the store personnel has favourable impact on customers buying experience

H3c: Alternative Hypothesis: Friendly and Courteous Behaviour of Store Staff does result in customer satisfaction

H4d: Alternative Hypothesis: Satisfaction due to good behavior by the store personnel does result in good shopping experience for the customers

4. RESEARCH METHODOLOGY

Exploratory Research design is used for the purpose of the study. Convenience Sampling Technique is used. Survey method is used for collecting the data. Structured questionnaire with close and open ended questions is designed and face to face interview are used for collecting the data. The interviews were conducted through intercepts at retail stores in organized retail chains. Due care was taken while framing the questionnaire so as to avoid any ambiguity. The sample size for the study is 141 Respondents. Nominal Scale is used for all variables except for age, family size, family monthly income and number of children ratio scale is used. For other variables related to store personnel behavior. The study is conducted during 01.02.2012 to 05.03.2012 in Pune city

- Kaiser-Meyer-Olkin Measure of Sampling Adequacy .868
- Cronbach's Alpha .903

5. DATA ANALYSIS TOOLS

For the purpose of the study various statistical tools are used viz.

- Tables,
- Graphs,
- Cronbach's Alpha for Scale Reliability,

- KMO & Barlett's Test for Sample Adequacy and
- Chi Square test

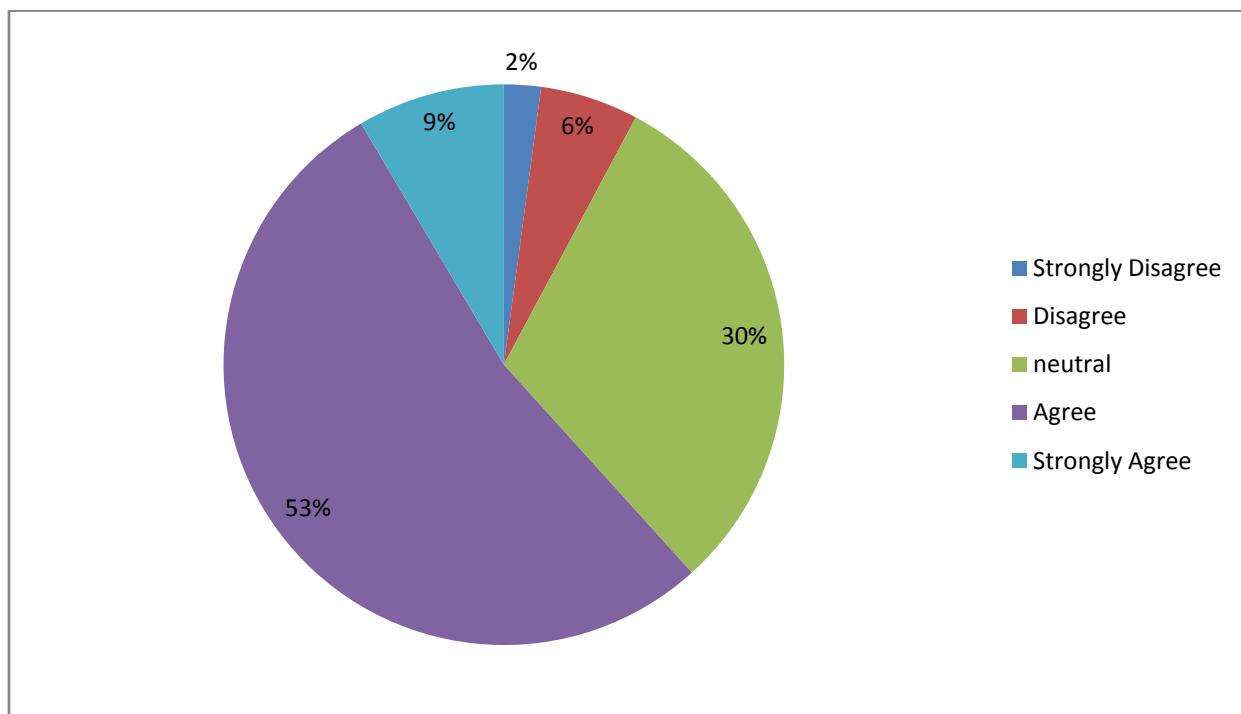
6. DATA ANALYSIS

1. STORE STAFF ARE WELL GROOMED, TRAINED AND EFFICIENT

TABLE 1

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 3 | 2.1 |
| Disagree | 8 | 5.7 |
| neutral | 43 | 30.5 |
| Agree | 75 | 53.2 |
| Strongly Agree | 12 | 8.5 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 1

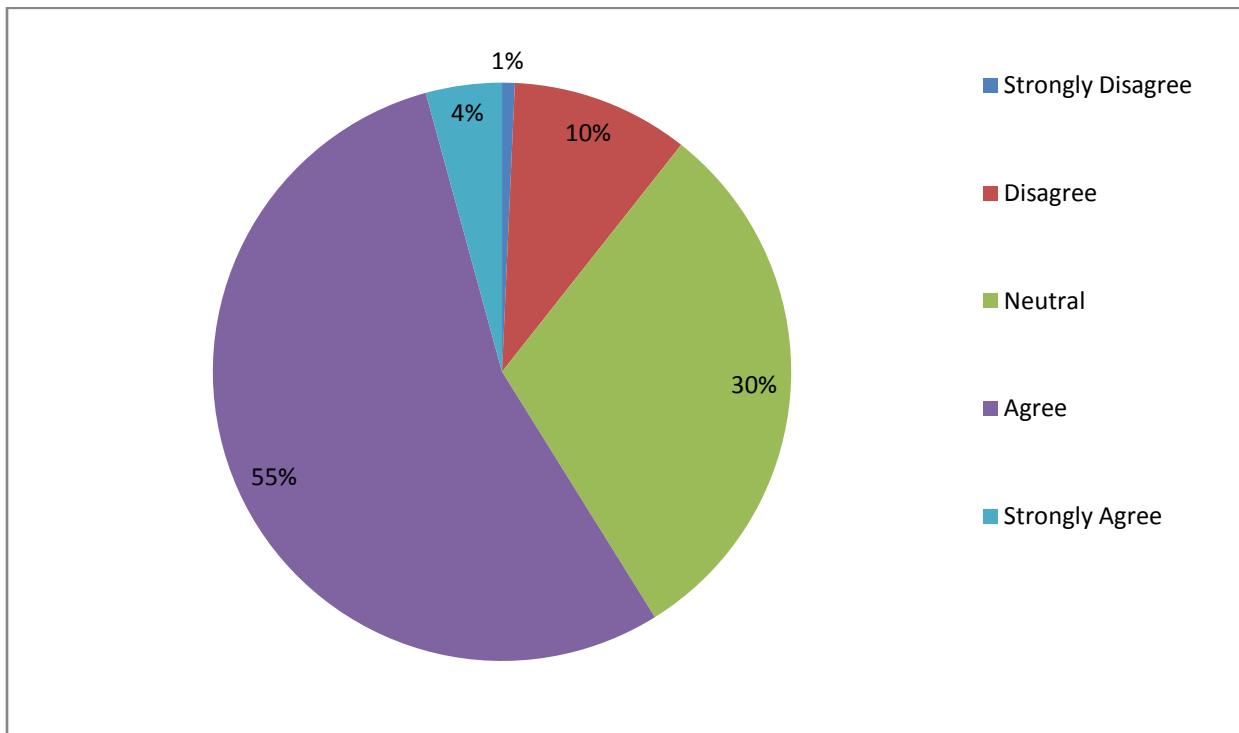
From the above graph it can be seen that 53% respondents strongly agree while only 9% respondents strongly disagree with the statement that Store Staff are well Groomed, Trained and Efficient. Hence it can be inferred that customers expect well groomed, trained and efficient store personnel who their prompt and efficient service add to the customers buying experience

2. EAGERNESS OF STAFF TO HELP AND GUIDE

TABLE 2

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 1 | .7 |
| Disagree | 14 | 9.9 |
| Neutral | 43 | 30.5 |
| Agree | 77 | 54.6 |
| Strongly Agree | 6 | 4.3 |
| Total | 141 | 100 |

Source: Survey Data



GRAPH 2

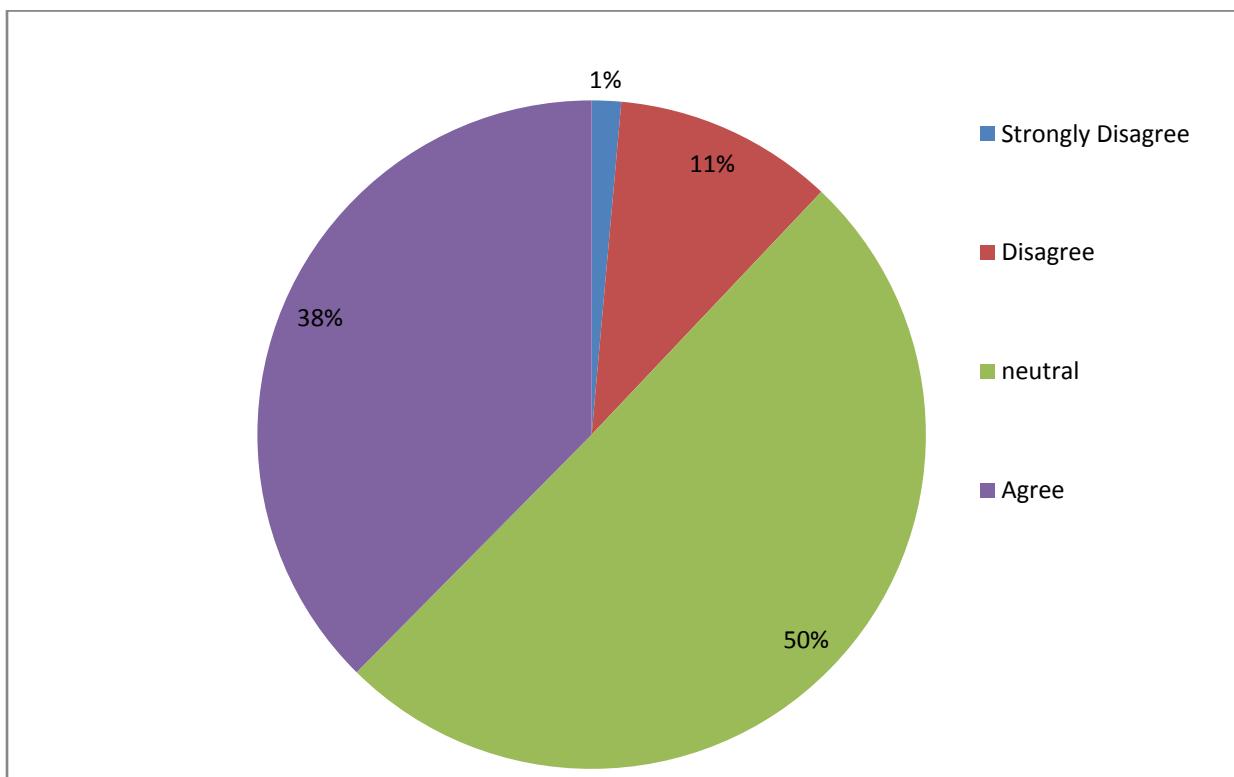
From the above graph it can be observed that while 55% respondents agree to the statement that staffs are eager to help and guide while 1% respondents strongly disagree. On the whole the respondents are happy with the statement that the retail store staffs are always eager to help and guide. It can therefore be concluded that eagerness to help the customers in the stores has impact on customer's experience.

3. STORE STAFF ARE VERY EFFECTIVE IN SOLVING CUSTOMER PROBLEMS

TABLE 3

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 2 | 1.4 |
| Disagree | 15 | 10.6 |
| neutral | 71 | 50.4 |
| Agree | 53 | 37.6 |
| Total | 141 | 100 |

Source: Survey Data



GRAPH 3

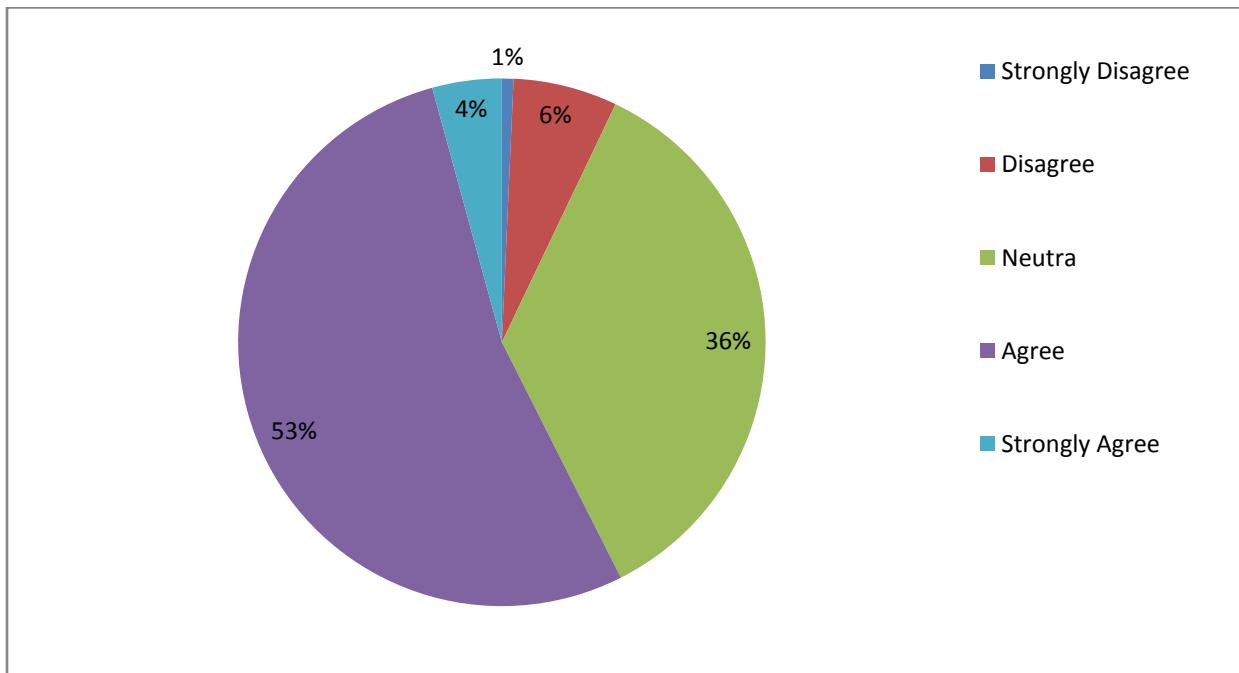
The above graph and table reveal that 38% respondents are happy about the effectiveness of the retail store staff in solving customer problems while on the other hand only 1% respondents strongly disagree while majority i.e. 50% of the respondents did not offer any comments. Out of the respondents who responded to the statement majority of them are satisfied. It can be therefore concluded that customers always look forward to store personnel who are effective in solving their problems.

4. STORE STAFF LISTEN TO AND EMPATHIZE WITH CUSTOMER

TABLE 4

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 1 | .7 |
| Disagree | 9 | 6.4 |
| Neutral | 50 | 35.5 |
| Agree | 75 | 53.2 |
| Strongly Agree | 6 | 4.3 |
| Total | 141 | 100 |

Source: Survey Data



GRAPH 4

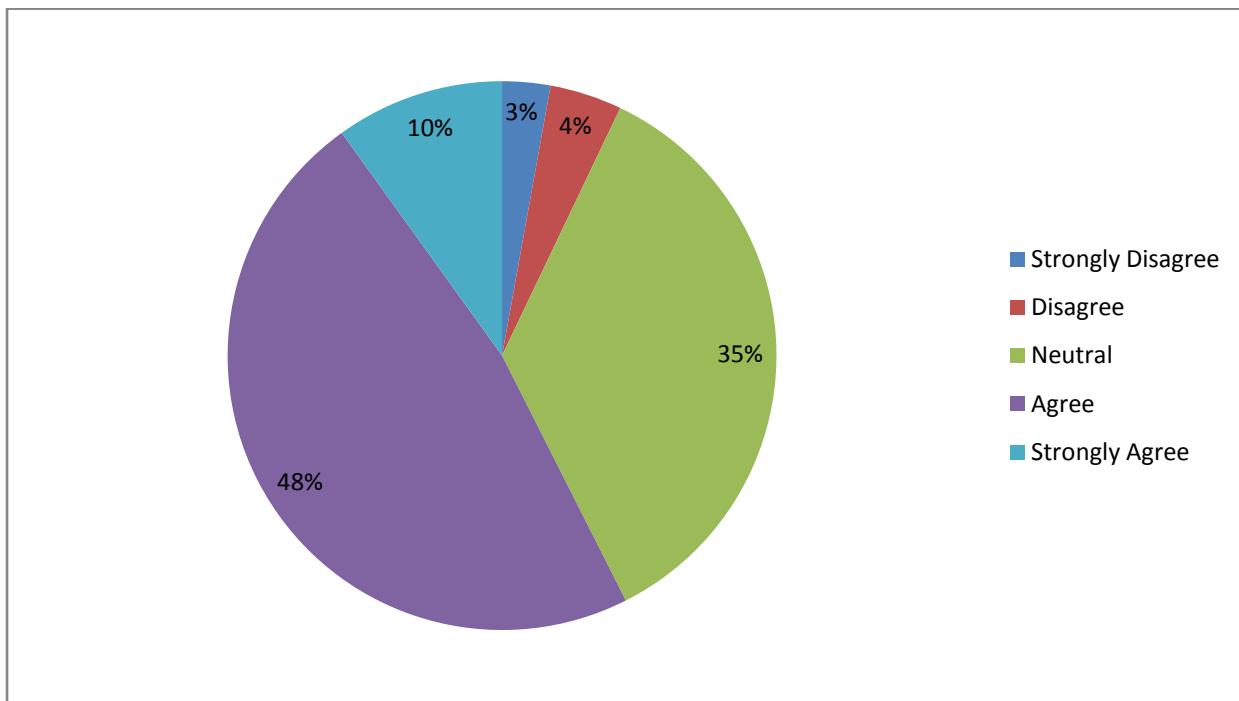
The above table and graph reveal that majority 53% respondents agree that retail store staff listen to and empathize with the customers while on the other hand only 6% respondents disagree while only 1% strongly disagrees. On the whole majority of the customers agree with the statement. Customers always expect the store personnel to listen to and understand their point of view.

5. STORE STAFF DISPLAY POSITIVE BODY LANGUAGE

TABLE 5

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 4 | 2.8 |
| Disagree | 6 | 4.3 |
| Neutral | 50 | 35.5 |
| Agree | 67 | 47.5 |
| Strongly Agree | 14 | 9.9 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 5

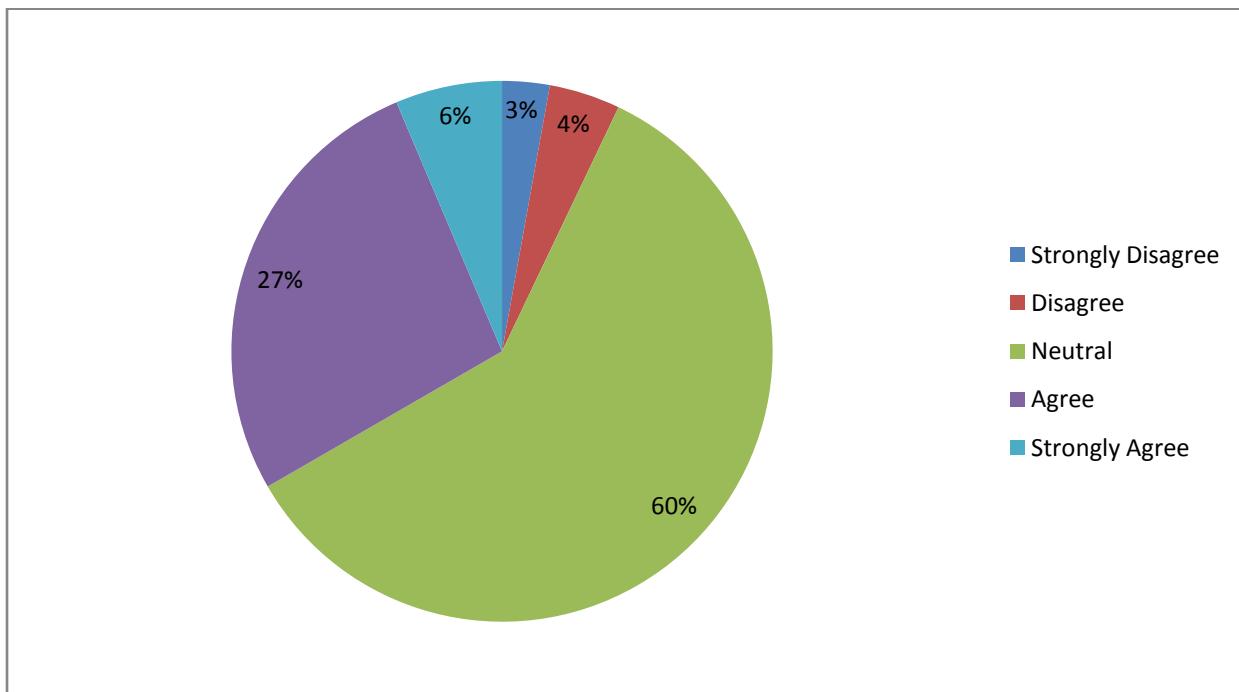
The table and the graph reveal that majority 48% agree with the statement that retail store staff exhibit positive body language, 10% of the respondents strongly agree while on the other hand only 3% of the respondents strongly disagree. At the aggregate level majority of the customers agree with the statement that the retail store staff display positive body language. It can therefore be inferred that positive body language is an very effective tool of communication.

6. STORE STAFF ALWAYS TALK TO CUSTOMERS WITH SMILING FACE

TABLE 6

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 4 | 2.8 |
| Disagree | 6 | 4.3 |
| Neutral | 84 | 59.6 |
| Agree | 38 | 27.0 |
| Strongly Agree | 9 | 6.4 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 6

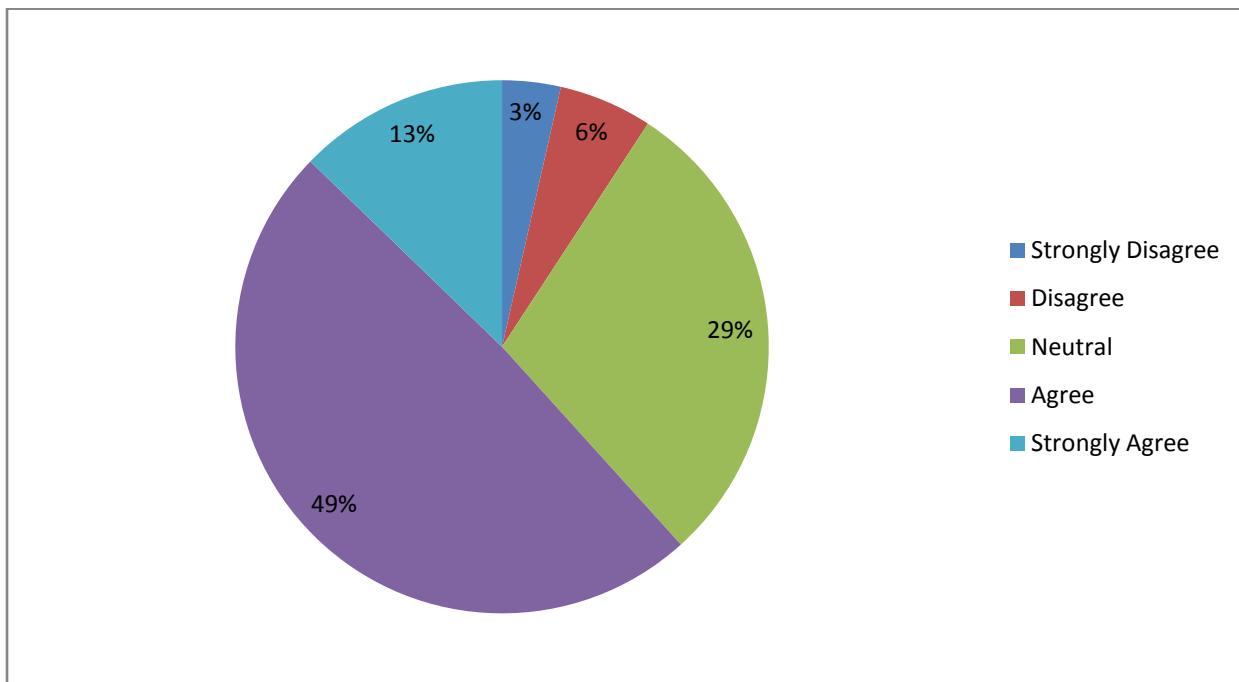
The graph reveals that majority of the customers who responded to this statement 27% agree that retail store staff always talk to the customers with smiling face, while 3% of the respondents strongly disagree. While 60% of the respondents have remained neutral, of the customers who responded majority of them agree with the statement that retail store staff always talk to the customers with smiling face.

7. Friendly And Courteous Behaviour Of Store Staff

TABLE 7

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 5 | 3.5 |
| Disagree | 8 | 5.7 |
| Neutral | 41 | 29.1 |
| Agree | 69 | 48.9 |
| Strongly Agree | 18 | 12.8 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 7

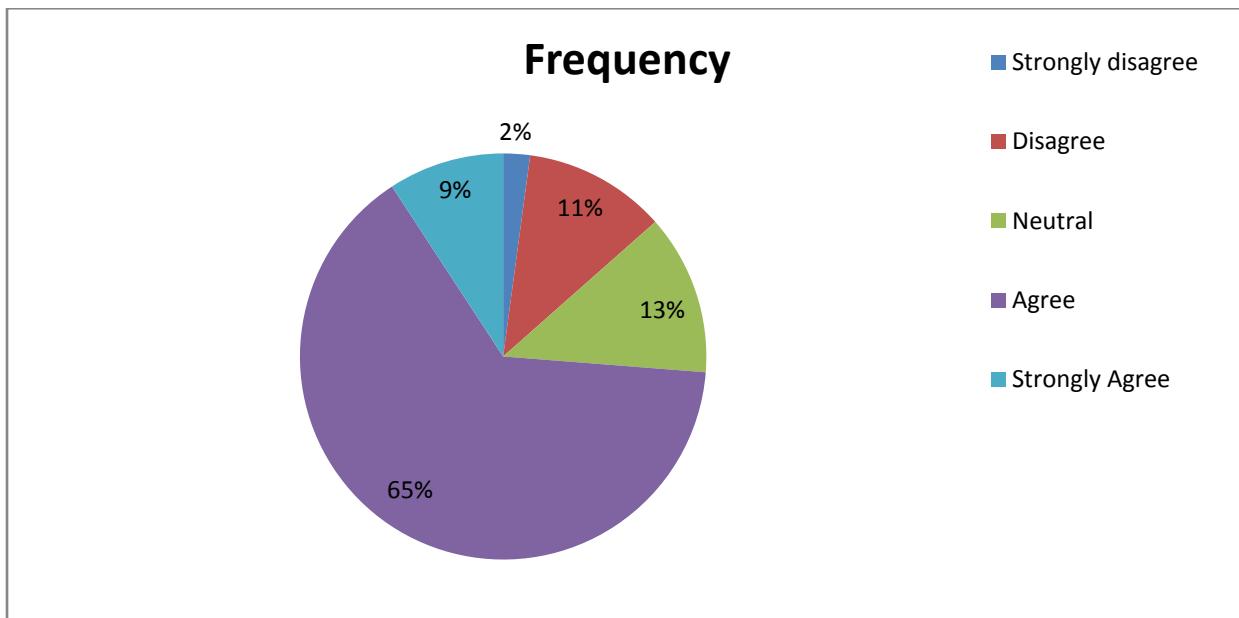
From the graph it can be seen that 49% of the respondents agree with the statement that the behavior of the retail store personnel is friendly and courteous while on the other hand 6% of the respondents disagree and only 3% respondents strongly disagree with the statement. Of the customers who responded to this statement it can be seen that majority of the customer agree to the statement that the behavior of the store staff is friendly and courteous. It can therefore be concluded that friendly and courteous behavior of stores personnel contributes in creating excellent shopping experience to the customers

8. SATISFACTION DUE TO GOOD STAFF BEHAVIOUR

TABLE 8

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly disagree | 3 | 2.1 |
| Disagree | 16 | 11.3 |
| Neutral | 18 | 12.8 |
| Agree | 91 | 64.5 |
| Strongly Agree | 13 | 9.2 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 8

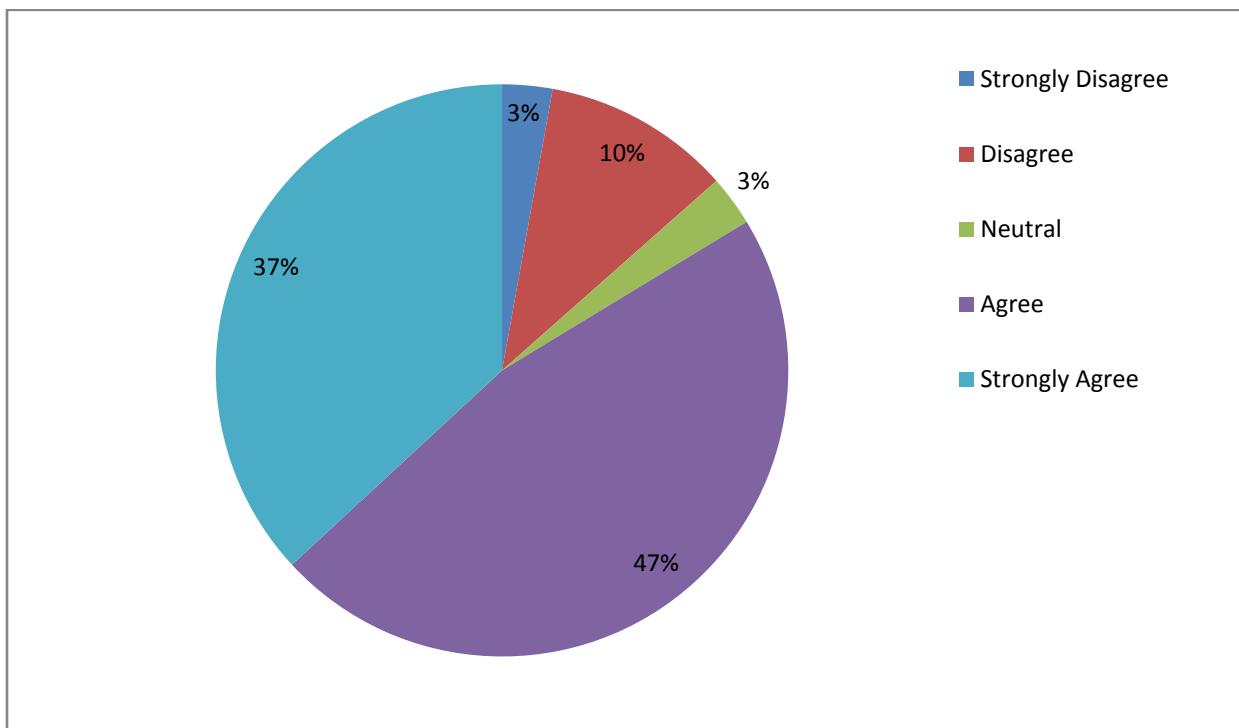
The table and graph reveal that 65% of the respondents agree with the statement that good store staff behavior results in customer satisfaction while on the other hand 11% disagree and 2% of the respondents strongly disagree with the statement. On the whole majority of the respondents feel that good retail store behavior results in satisfaction.

9. GOOD STAFF BEHAVIOUR RESULT IN GOOD SHOPPING EXPERIENCE

TABLE 9

| | Frequency | Percent |
|-------------------|-----------|---------|
| Strongly Disagree | 4 | 2.8 |
| Disagree | 15 | 10.6 |
| Neutral | 4 | 2.8 |
| Agree | 66 | 46.8 |
| Strongly Agree | 52 | 36.9 |
| Total | 141 | 100.0 |

Source: Survey Data



GRAPH 9

From the table and the graph it can be seen that 47% respondents agree to the statement that good store staff behavior results in good shopping experience, 37% of the respondents strongly agree while on the other hand 10% of the respondents disagree and 3% strongly disagree. On the whole majority of the respondents agree with the statement that good store behavior results in good shopping experience.

7. RESULTS OF CHI SQUARE TEST

| Alternative Hypothesis (P =0.05) | Pearson Chi-Square | DF | Significance (2 sided) | Table Value | Alternate Hypothesis |
|---|----------------------|----|------------------------|-------------|----------------------|
| H1a: Well Groomed, Trained and Efficient store staff have positive impact on customer buying experience | 162.640 | 16 | .000 | 26.30 | Accepted |
| H2a: Displaying positive body language by the store personnel has favourable impact on customers buying experience | 92.497 | 16 | .000 | 26.30 | Accepted |
| H3c Friendly and Courteous Behaviour of Store Staff does result in customer satisfaction | 138.290 | 16 | .000 | 26.30 | Accepted |
| H4d: Satisfaction due to good behavior by the store personnel does result in good shopping experience for the customers | 287.340 ^a | 16 | .000 | 26.30 | Accepted |

8. FINDINGS

- Positive perception on the part of the customers about the store personnel results in customer's loyalty.
- Friendly and courteous behavior with the customers leads to the customers satisfaction resulting in customers identifying themselves with the store personnel resulting in increase in customers frequency of visit resulting in increased business for the store
- The study reveals that every minute aspects of store personal behavior like body language, smiling at the customers, eagerness to help, solving customer's problems etc have tremendous positive impact on customer experience. Though customers do not state this, but it is their latent expectation from the store personnel and any failure on any of these aspects leads to customer dissatisfaction and loss of business to the stores.

9. RECOMMENDATIONS

1. The study indicates that the customer's perception on all the parameters related to retail store staff though is satisfactory still it is far from enough. The retail organizations should ensure that store staff performance should lead to 100% satisfaction for all the customers on an ongoing basis.
2. It emerges from the study that training has a positive impact on customer satisfaction due to increase in efficiency of the store staff. Therefore training should be an ongoing activity in the retail organizations.
3. Friendliness and caring treatment are very valuable to the customers and to succeed in a market which is highly competitive there is strong need to provide friendly and caring environment in the store.
4. Evoking WOW customer experience is an integrated approach of which the store personnel are a very crucial and important factor. The very store employees by their good and caring attitude towards the customers can create customer loyalty and convert them into life time customers. It is therefore imperative on the part of the retail organizations to create customer focussed culture, nurture, groom and motivate their employees to and build long lasting customer relationships on a continual basis.

10. CONCLUSIONS

Due to changes in the environment the consumer is also evolving continuously. While it is a known fact that the consumers needs, wants and expectations are changing at a very fast pace, it is the retail sales person who acts as a bridge between the retail brand and the consumer and plays a key role in communicating store image to the consumer. Developing close relationships with the customers by the sales personnel can be a differentiator and competitive advantage particularly in the light of the head on competition with the unorganized sector in India. It therefore calls on the part of the retail chains to focus on their employees and ensure that they trained, groomed and motivated to create WOW shopping experience for their customers better than the competitors.

11. REFERENCES

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